

REMARKS

Claims 2-4, 7-9, 11, 13-15, 18-20, and 23-44 remain in the application with claims 2-4, 7-9, 11, 13-15, 18-20, 23, 26-28, 31, 32, and 34-42 having been amended hereby.

Reconsideration is respectfully requested of the rejection of claims 2-4, 7-9, 11, 13-15, 18-20, and 23-40 under 35 USC 102(e), as being anticipated by Shear et al.

As previously explained, the embodiment of the present invention stops the outputting of digital audio data when the external apparatus has the capability of making copies and recording that output digital data. As explained in the present specification at page 13, lines 3-7, the reproduced data from the optical disc is outputted as an analog audio signal through the D to A converter. When the external apparatus has a function of copying data, the control circuit opens the switch 13 so that the digital audio data is not output, this however does not effect the output of the analog audio signal representing the signal being reproduced by the reproducing apparatus. Thus, even when the results of the determination of the external apparatus determines that the data transmission to the external apparatus should be prohibited, the reproduced audio signal is made available nonetheless. That is, the user can enjoy the reproduced signal even though the user is prohibited from making a copy of the signal. The apparatus can stop transmission of output data to the external apparatus during a time when the

reproducing means reproduces and outputs the data.

The claims have been amended hereby to emphasize the above-noted features of the present invention.

Shear et al. also relates to a system for blocking the recording of digital data. Shear et al. employs a so-called platform that can release the content to a video cassette recorder, for example, upon receiving a digital ID identifying the output device as a lower quality analog device but will block any subsequent digital recordings unless the proper ID is provided.

Thus, it is respectfully submitted that Shear et al. fails to teach the feature of the present invention in which the reproduced data is output at all times with a selective blocking being provided by stopping the outputting of the digital data upon performing external device authentication operations, as taught by the present invention and as recited in the amended claims.

Reconsideration is respectfully requested of the rejection of claims 41-44 under 35 USC 103, as being unpatentable over Shear et al. in view of Ottesen et al.

Claims 41-44 relate to a fee charging feature of the present invention in which the control means performs a fee-charging process by updating the data recorded in the recording medium, in accordance with the fee to be charged, and based on a sum of fees that can be charged for the recording medium, the control means stops transmission of the output data to be recorded through the interface when the data

corresponding to the sum of fees reaches or exceeds a predetermined value, all the while continuing to provide the analog output signal being reproduced from the recording from the recording medium. In other words, the recording medium has a portion that stores information about fee charging and when data is transmitted from the recording medium through the interface, that is, to be digitally recorded, the portion of the recording medium is updated as a result of the fee charging process based on charging a fee for making digital recordings of the recorded program. When the sum of fees recorded in the specific portion of the recording medium exceeds a predetermined value, data transmission through the interface is stopped.

It is respectfully submitted that Ottesen et al. does not suggest the feature of the present invention in which the actual recording medium being reproduced has a portion thereon in which fee charging data can be written, as in the presently claimed invention.

The examiner has opined that Ottesen et al. discloses this feature of the present invention, however, at column 8 of Ottesen et al. it is disclosed that a pay-per-view control allowing for automatic billing of each program presentation to the customers account is provided. Nevertheless, according to the present invention, the fee charging data that should be charged because of the data transmission from the storage medium is updated by recording the fee charging data in a portion of the very same storage medium. Thus, the

transmitted data is stored in the recording medium and also the fee charging data is stored in the same recording medium.

Ottesen et al. is completely silent concerning this feature, which is not known or suggested in the prior art.

Accordingly, by reason of the amendments made to the claims hereby, as well as the above remarks, it is respectfully submitted that a method and apparatus whereby digital output data can be selectively stopped during reproduction of the data from the recording medium, as taught by the present invention and as recited in the amended claims, is neither shown nor suggested in the cited references, alone or in combination.

Entry of this amendment is earnestly solicited and it is respectfully submitted that this amendment raises no new issues requiring further consideration and/or search since the amendments merely confirm and emphasize the features of the present invention that have already been examined and considered.

Favorable reconsideration is earnestly solicited.

Respectfully submitted,

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